

Michigan Municipal League

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Gloria J. Jeff, Director
Michigan Department of Transportation

Overview

- Value of Transportation
- Economic Benefits of Transportation
- Reauthorization Update

Plan to Grow Michigan's Economy

- Puts state's fiscal house in order
- Restructured business taxes
- Invests in people through education and training
- Protects people and quality of life
- Creates jobs today & tomorrow



Value of Transportation

Value of Transportation

Typical monthly costs in Michigan for:

- Residential Electric Service
\$70
- Residential Natural Gas Service
\$200
- Television (Cable, Dish, etc.)
\$50
- Cellular Phone
\$60
- Residential Water & Sewer
\$100

**Transportation in Michigan is a
GREAT VALUE!**

What do **10** million
citizens in over
1,700 cities, villages
and townships get for

per month?



\$29.99

Investment in an Integrated Transportation System

- Variety of Services and Modes
- Travel Options
- Mobility for Residents and Businesses
- Supports Tourism
- Moves Products to Market
- Spurs the Economy



\$29.99

An Investment that is Preserving and Improving the Condition of Michigan's Transportation Assets



\$29.99

Freeway Condition

- Current Road: 89% Good
- Current Bridge: 84% Good/Fair
- 2007 Road: 91% Good
- 2008 Bridge: 86% Good/Fair

Non-Freeway Condition

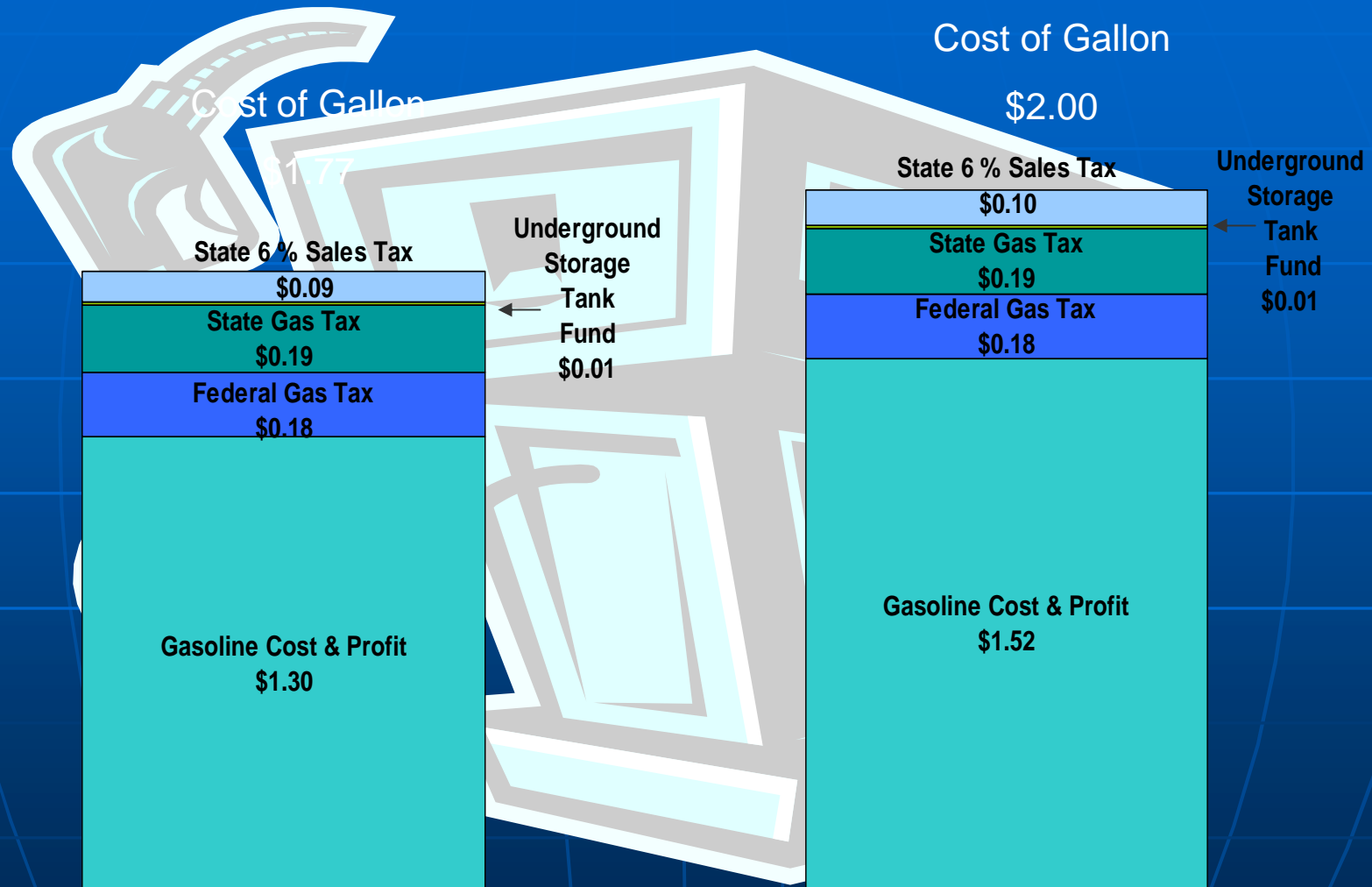
- Current Road: 83% Good
- Current Bridge: 86% Good/Fair
- 2007 Road: 84% Good
- 2008 Bridge: 87% Good/Fair

What a great value for . . .



\$29.99

Components of the Price of a Gallon of Gasoline



Economic Benefits

Multimodal Transportation System

Economic Benefits

- Creates 47,215 jobs for the State of Michigan
- Assists in reducing the state's unemployment and outmigration rates
- Provides the backbone for all economic activity within the State of Michigan.



Governor's Plan to Improve Michigan's Infrastructure

- \$800 million in existing financing authority includes \$400 million in new transportation bonds
- Will fund additional road and bridge projects beyond those included in 2005-2009 Five Year Transportation Program
- Improving infrastructure is the fastest way to jumpstart an economy

Transportation Economic Development Fund

Category A - Target Industry Job Creation

- 12 projects were approved for funding
- Public investment of over \$18 million
- Private investment of \$3.7 billion
- Created and/or retained 8,000 jobs

Reauthorization Update

TEA-21 Reauthorization Status

- Current extension expires on May 31
- Administration proposal released in February
- House bill passed in March, 417-9 vote
- Senate committees making progress
- Senate floor debate expected in April

Reauthorization Priorities

- Adequate \$, increased rate of return, no reduction in scope
- \$ for Michigan's busy border crossings
- More capital \$ for bus transit
- Flexibility to use \$ to address priorities as identified by states

Reauthorization Scorecard

Issues	House	Senate
Total Funding	\$284 B	\$284 B
Avg. annual increase over TEA 21 to MI	\$185 M	\$229 M
Rate of Return	90.5%	92%
Borders	\$29 M annually to MI	\$44 M annually to MI
Transit	\$52 B	\$51.7 B
Funding Flexibility	Reduced	Little Change

What to Expect

- Senate bill passage in April
 - May amend to increase funding
- Conference committee action in May to address differences
 - Funding level
 - Minimum guarantee and scope
 - New programs



Questions?

www.michigan.gov/mdot